



**HOUSING AND COMMUNITY DEVELOPMENT  
CORPORATION OF HAWAII**

**LINDA LINGLE**  
GOVERNOR

**NEWS RELEASE**

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Stephanie Aveiro, Executive Director  
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**HAWAII HOUSING AGENCY ACHIEVES GOALS**

**HUD REMOVES TROUBLED AGENCY STATUS FROM HCDCH**

HONOLULU – The U.S. Department of Housing and Urban Development (HUD) has removed the “troubled” agency status given to the state Housing and Community Development Corporation of Hawaii (HCDCH) last year, noting that the agency has made significant progress in achieving the targets and strategies under the Memorandum of Agreement (MOA). The MOA was aimed at improving management and operations of federal housing projects.

“We are satisfied the Housing and Development Corporation of Hawaii made acceptable progress,” Michael S. Flores, director of the HUD’s Office of Public Housing for Hawaii said in a letter to HCDCH Executive Director Stephanie Aveiro, dated November 4, 2005.

Flores congratulated HCDCH for obtaining a passing score and called HCDCH a Standard Performing Public Housing Agency. Flores indicated his staff will continue to work with the agency in improving occupancy rates in federally funded public housing projects.

“This is an important milestone for all of the staff who worked diligently over the past 12 months to address the deficiencies identified by HUD,” said Chuck Sted, chairman of the board of directors for HCDCH. Sted noted the agency still has much work ahead to further improve the physical condition of housing stock and reduce the number of units that are vacant due to repair backlogs.

In early 2002 the HUD found that HCDCH was in serious disarray, which resulted in the replacement of the entire HCDCH board of directors appointed by the former Administration and the resignation of the executive director over allegations of a conflict of interest. The new board, appointed by Governor Linda Lingle, worked with federal officials in addressing 120 different problem areas noted in the MOA including employee training, financial reporting, tenant relations, vacancy rates, eviction procedures, rent collections, building repairs, and new capital improvements.

The original list of 120 problem areas identified in the MOA has now been narrowed down to 10 tasks HCDCH will focus on over the next year. These 10 tasks include reducing the time it

takes to make a housing unit ready for a new occupant, increasing rent collections and improving timeliness for evictions.

"When we took office in December 2002, our Administration made correcting the past abuses and operational deficiencies at HCDCH a high priority to ensure the federal housing assistance Hawai'i receives benefits the people it was meant to help," said Governor Lingle. "We appreciate HUD's willingness to work with us to turn this agency around so that we can continue to focus on serving our residents who need public and assisted housing. I commend the HCDCH staff for their efforts over the past year."

The Housing and Community Development Corporation of Hawaii, established in 1998, is responsible for the management of 5,363 federally funded public housing units statewide. The Corporation also manages over 2,000 state-funded public housing units for low-income and elderly persons. Additionally, HCDCH provides financing to private and non-profit organizations who build affordable rental and for-sale housing.

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